

California American Water Funds 2009 Environmental Grant Program

Company Offers \$10,000 for Community Improvement Projects

San Diego, CA (April 24, 2009) - California American Water announced today it is accepting applications for its 2009 Environmental Grant Program.

The company will award several grants for a combined total of \$10,000 to innovative community-based environmental projects that improve, restore or protect watersheds and drinking water supplies within the state.

A wide variety of conservation projects are eligible for funding, such as watershed cleanups, reforestation efforts, biodiversity projects, streamside buffer restoration projects, wellhead protection initiatives and hazardous waste collection efforts.

"Every individual and community has the ability to positively impact our water resources," said Kent Turner, president of California American Water. "We encourage municipalities, schools, environmental organizations and civic groups to apply for a grant to support projects that will benefit their watersheds."

To qualify, a proposed project must be:

- Located within California American Water's service area;
- Completed between June 1, 2009 and December 1, 2009; and
- A new or innovative community initiative or serve as a significant expansion to an existing program.

Projects will be judged based on criteria that include clarity of project goals and projected impact, strength of collaboration with other community and/or municipal organizations and evidence that the project will provide sustainable environmental results after California American Water's funding ends.

In 2008, the program supported the Sacramento River Watershed Program and the Community Clean Water Institute. The \$5,000 grant awarded to the Sacramento River Watershed Program was used to underwrite two workshops focused on water quality issues and the development of a sustainable regional water quality monitoring program. The same amount was awarded to the Community Clean Water institute to perform quality and in-stream flow monitoring at five locations of the Mark West Creek watershed in the Larkfield and Wikiup areas of Sonoma County.

Grant information and application forms can be found online at californiaamwater.com.

Applications must be postmarked by May 18, 2009, and mailed to:

California American Water
4701 Beloit Drive
Sacramento, CA 95838
Attn: Debra Vernon and Chris Albert.

California American Water, a wholly owned subsidiary of American Water (NYSE: AWK), provides high-quality and reliable water and/or wastewater services to more than 600,000 people. Founded in 1886, American Water is the largest investor-owned U.S. water and wastewater utility company. With headquarters in Voorhees, N.J., the company employs more than 7,000 dedicated professionals who provide drinking water, wastewater and other related services to approximately 15 million people in 32 states and Ontario, Canada. More information can be found by visiting www.amwater.com.